



Department for International Trade



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International Trade

Mine Africa – 10th Annual Mining Investment Conference

DIT Supporting UK Business in Africa

Craig Sillars

November 28th

Grand Connaught Rooms



High Value Campaigns

- Large scale overseas capital expenditure project(s);
- Total project value greater than £500m
- Accessible project value greater than £250m
- Project that would benefit from UK Government support
- Project that attracts/highlights UK capability in a specific sector





High Value Campaigns

HVC's range in size, sector, complexity and route to market

Oil & Gas



Nuclear



Water & Environment



Mining



Airports



Marine



Rail



Healthcare



Sports Infrastructure



Construction





Energy and Gold

- Energy is a key demand across all mining projects
- Focused on off-shore gas for energy production to provide stable affordable energy
- Gold mines have been a key focus
- September mission to visit 4 gold mines and 1 manganese mine
- Opportunities across the value chain from racking systems to inventory management to provision of refurbished heavy equipment
- Burkina Faso next country to focus on



Bauxite

- Tracking over 7 bauxite projects across the Boke and Central belt region
- CBG expansion
- Rusal, GAC, AMC, SBG, AAM, SBDT
- Road, rail, port, mine construction, conveyors, loading equipment and contract mining
- UK Export Finance looking at a number of financial support opportunities

Iron Ore

- Still has some of the best iron ore assets in the World.
- Activity in the next 6 months are so may determine the time frame for these to be realised.



Copper and Energy

- Majority of existing mines are loss making at the current copper price
- With rising copper prices with 2018 considered the defining year opportunities to align plans against this timeframe
- Need to reduce overall cost of productivity
- Energy another area of concern
 - Unstable grid
 - Low cost of electricity
 - Market reform – cost reflective tariffs
- Hydro and solar and possibly gas/LNG along with coal form the basis of the solution
- Agriculture in Mining
- Rail Infrastructure



OCP

A total expansion plan of the order of \$22bn, with some \$9bn of tenders due in the next couple of years

2 New Tremies/new dragline/new storage unit

Washing Plant – Laayoune

Drying Plant

Fertiliser Production Facilities

Port Infrastructure + superstructure (1 wharf = 3 docks)

Total = £1.17bn

Ethiopia – new fertiliser plant as part of expansion into Africa



Summary

- **Mining is key to infrastructure development in Africa**
- **With rising commodity prices hopefully bringing stability to the market the next few years will 'hopefully' be good for those supplying the market with solutions and finance**
- **DIT with increased support from UK Export Finance whose direct lending facility has been increased from £3bn to £5bn will hopefully be part of that**



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